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CITIC Securities Company Limited
中信証券股份有限公司
(incorporated in the People's Republic of China with limited liability)
(Stock code: 6030)



KVB Kunlun
KVB Kunlun Financial Group Limited
昆侖國際金融集團有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock code: 8077)

**CITIC Securities Overseas Investment
Company Limited**
(incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT

- (1) CLOSE OF UNCONDITIONAL MANDATORY CASH OFFERS BY
CITIC SECURITIES CORPORATE FINANCE (HK) LIMITED
FOR AND ON BEHALF OF THE OFFEROR TO
ACQUIRE ALL THE ISSUED SHARES OF KVB KUNLUN
(OTHER THAN THOSE SHARES ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT
AND THE NON-ACCEPTANCE SHARES)
AND
TO CANCEL ALL THE OUTSTANDING
OPTIONS OF KVB KUNLUN
AND
(2) RESULTS OF THE OFFERS**

Financial adviser to the Offeror



**Independent financial adviser to the independent board committee of KVB Kunlun,
the Independent KVB Shareholders and the KVB Option Holders**



CLOSE OF THE OFFERS

The Offers made by CITIC Securities Corporate Finance (HK) Limited, for and on behalf of the Offeror, closed at 4:00 p.m. on Friday, 26 June 2015 and were not revised or extended by the Offeror.

RESULTS OF THE OFFERS

As at 4:00 p.m. on Friday, 26 June 2015, being the latest time and date for acceptance of the Offers as set out in the Composite Document, the Offeror had received (i) valid acceptances in respect of a total of 310,001 KVB Shares under the Share Offer (representing approximately 0.02% of the entire issued share capital of KVB Kunlun as at the date of this joint announcement); and (ii) valid acceptance in respect of 4,390,000 Options under the Option Offer (representing approximately 25.96% of the total outstanding 16,910,000 KVB Options subject to the Option Offer, with 11,720,000 KVB Options having been exercised).

As at the date of this joint announcement, 700,000 vested KVB Options remained unexercised and the KVB Option Holders thereof did not accept the Option Offer. Accordingly, following the Completion (i.e. 29 May 2015) these KVB Options can be exercised in full or in part (to the extent not already exercised) at any time within one month after the date of the Completion whilst the Share Offer is unconditional at the outset, after which these KVB Options shall automatically lapse and not be exercisable according to the terms of the Share Option Scheme.

Remittances in respect of (i) the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Share Offer) payable for the Offer Shares tendered under the Share Offer; and (ii) the cash consideration for cancellation of the KVB Options tendered under the Option Offer will be despatched to the accepting KVB Shareholders and KVB Option Holders, by ordinary post at their own risk as soon as possible but in any event within seven (7) business days after the date of receipt of all the relevant documents of title to render the acceptance by such KVB Shareholders and KVB Option Holders respectively under the Offers complete and valid.

SHAREHOLDING STRUCTURE OF KVB KUNLUN

The shareholding structure of KVB Kunlun immediately following the close of the Offers and as at the date of this joint announcement, subject to the due registration by the Registrar of the transfer of the KVB Shares (in respect of which valid acceptances were received), is set out in this joint announcement.

PUBLIC FLOAT

Immediately after the close of the Offers, 532,729,999 KVB Shares, representing approximately 26.20% of the entire issued share capital of KVB Kunlun, are held by the public (within the meanings of the GEM Listing Rules). Accordingly, the minimum public float requirement as set out under Rule 11.23(7) of the GEM Listing Rules is satisfied.

INTRODUCTION

Reference is made to the composite offer and response document dated 5 June 2015 (the “**Composite Document**”) and jointly issued by KVB Kunlun Financial Group Limited (“**KVB Kunlun**”), CITIC Securities Company Limited (“**CITIC Securities**”) and CITIC Securities Overseas Investment Company Limited (the “**Offeror**”) in respect of the unconditional mandatory cash offers by CITIC Securities Corporate Finance (HK) Limited for and on behalf of the Offeror to acquire all the issued KVB Shares (other than those KVB Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it and the Non-acceptance Shares) and for the cancellation of all outstanding KVB Options (the “**Offers**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Composite Document.

CLOSE OF THE OFFERS

The Offers made by CITIC Securities Corporate Finance (HK) Limited, for and on behalf of the Offeror, closed at 4:00 p.m. on Friday, 26 June 2015 and were not revised or extended by the Offeror.

RESULTS OF THE OFFERS

On 16 June 2015, an aggregate of 11,720,000 new KVB Shares were allotted and issued by KVB Kunlun upon the exercise of certain KVB Options granted under the share option scheme adopted by KVB Kunlun on 3 June 2013 (the “**Share Option Scheme**”) to subscribe for 11,720,000 KVB Shares at an exercise price of HK\$0.414 per KVB Share by certain KVB Option Holders. As at the date of this joint announcement, KVB Kunlun had 2,033,040,000 KVB Shares in issue.

As at 4:00 p.m. on Friday, 26 June 2015, being the latest time and date for acceptance of the Offers as set out in the Composite Document, the Offeror had received (i) valid acceptances in respect of a total of 310,001 KVB Shares under the Share Offer (representing approximately 0.02% of the entire issued share capital of KVB Kunlun as at the date of this joint announcement); and (ii) valid acceptances in respect of 4,390,000 KVB Options under the Option Offer (representing approximately 25.96% of the total outstanding 16,910,000 KVB Options subject to the Option Offer, with 11,720,000 KVB Options having been exercised).

As at the date of this joint announcement, 700,000 vested KVB Options remained unexercised and the KVB Option Holders thereof did not accept the Option Offer. Accordingly, following the Completion (i.e. 29 May 2015) these KVB Options can be exercised in full or in part (to the extent not already exercised) at any time within one month after the date of the Completion whilst the Share Offer is unconditional at the outset, after which these KVB Options shall automatically lapse and not be exercisable according to the terms of the Share Option Scheme.

Remittances in respect of (i) the cash consideration (after deducting the seller’s ad valorem stamp duty in respect of acceptances of the Share Offer) payable for the Offer Shares tendered under the Share Offer; and (ii) the cash consideration for cancellation of the KVB Options tendered under the Option Offer, will be despatched to the accepting KVB Shareholders and KVB Option Holders, by ordinary post at their own risk as soon as possible but in any event within seven (7) business days after the date of receipt of all the relevant documents of title to render the acceptance by such KVB Shareholders and KVB Option Holders respectively under the Offers complete and valid.

SHAREHOLDING STRUCTURE OF KVB KUNLUN

Immediately before the commencement of the Offer Period on 11 November 2014, CITIC Securities, the Offeror and parties acting in concert with any of them were not interested in, did not hold, control or have direction over any KVB Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of KVB Kunlun.

Taking into account (i) the 1,200,000,000 KVB Shares beneficially held by the Offeror upon Completion; and (ii) valid acceptances in respect of a total of 310,001 KVB Shares under the Share Offer, CITIC Securities, the Offeror and parties acting in concert with any of them have an aggregated interest of 1,200,310,001 KVB Shares immediately after the close of the Offers, representing approximately 59.04 % of the entire issued share capital of KVB Kunlun as at the date of this joint announcement.

Save for (i) the transactions under the Share Purchase Agreement; and (ii) the valid acceptances in respect of a total of 310,001 KVB Shares under the Share Offer, CITIC Securities, the Offeror and parties acting in concert with any of them did not acquire or agree to acquire any KVB Shares or any rights over the KVB Shares during the Offer Period. Further, none of CITIC Securities, the Offeror or parties acting in concert with any of them had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in KVB Kunlun during the Offer Period.

Set out below is the shareholding structure of KVB Kunlun (i) immediately after the completion of the Share Purchase Agreement but before the commencement of the Offers; and (ii) immediately after the close of the Offers and as at the date of this joint announcement, subject to the registration by the Registrar of the transfer of the KVB Shares (in respect of which valid acceptances were received):

	(i) Immediately after the completion of the Share Purchase Agreement but before the commencement of the Offers		(ii) Immediately after the close of the Offers and as at the date of this joint announcement	
	<i>Number of KVB Shares</i>	<i>Approximate Percentage (%)</i>	<i>Number of KVB Shares</i>	<i>Approximate Percentage (%)</i>
Vendor	300,000,000	14.84	300,000,000	14.76
Offeror and parties acting in concert with it	1,200,000,000	59.37	1,200,310,001	59.04
Public	521,320,000	25.79	532,729,999	26.20
Total	<u>2,021,320,000</u>	<u>100</u>	<u>2,033,040,000</u>	<u>100</u>

PUBLIC FLOAT

Immediately following the close of the Offers, subject to the due registration by the Registrar of the transfer of the KVB Shares (in respect of which valid acceptances were received), 532,729,999 KVB Shares, representing approximately 26.20% of the entire issued share capital of KVB Kunlun as at the date of this joint announcement, are held by the public (within the meanings of the GEM Listing Rules). Accordingly, KVB Kunlun continues to satisfy the minimum public float requirement as set out under Rule 11.23(7) of the GEM Listing Rules.

By order of the board of
CITIC Securities Company Limited
Wang Dongming
Chairman

By order of the board of
KVB Kunlun Financial Group Limited
Liu Stefan
Executive Director

By order of the board of
**CITIC Securities Overseas Investment
Company Limited**
Ge Xiaobo
Director

Hong Kong, 26 June 2015

As at the date of this joint announcement, the directors of KVB Kunlun are as follows:

Executive directors

Mr. Liu Stefan
Mr. Ng Chee Hung Frederick

Non-executive directors

Mr. Li Zhi Da
Mr. Stephen Gregory McCoy

Independent non-executive directors

Ms. Zhao Guixin
Mr. Cornelis Jacobus Keyser
Mr. Lin Wenhui

This joint announcement, for which the directors of KVB Kunlun collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to KVB Kunlun. The directors of KVB Kunlun, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in this joint announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this joint announcement misleading.

The directors of KVB Kunlun jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to CITIC Securities, CITIC Securities Overseas Investment Company Limited and parties acting in concert with them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by CITIC Securities, CITIC Securities Overseas Investment Company Limited and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the directors of CITIC Securities Overseas Investment Company Limited are Mr. Ge Xiaobo, Mr. Liu Wei and Mr. Li Jiong.

As at the date of this joint announcement, the directors of CITIC Securities are as follows:

Executive directors

Mr. WANG Dongming
Mr. CHENG Boming
Mr. YIN Ke
Mr. LIU Lefei

Non-executive director

Mr. FANG Jun

Independent non-executive directors

Mr. WU Xiaoqiu
Mr. LEE Kong Wai, Conway
Mr. RAO Geping

The directors of the Offeror and the directors of CITIC Securities jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to KVB Kunlun, the Vendor and parties acting in concert with them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by KVB Kunlun, the Vendor and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This joint announcement will remain on the website of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited at www.hkgem.com on the “Latest Listed Company Information” page for at least seven days from the day of its posting and on the website of KVB Kunlun at www.kvblistco.com.